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**CONCLUDING REMARKS¹ BY AMBASSADOR (DR.) AMINA C. MOHAMED,
CABINET SECRETARY, MINISTRY OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE,
AT THE INFORMAL MEETING OF AFRICAN UNION (AU) TRADE MINISTERS,
20 JULY 2015, NAIROBI – KENYA**

COMMUNICATION FROM KENYA

The following communication, dated 11 September 2015, is being circulated at the request of the Permanent Mission of the Republic of Kenya.

1.1. Ministers of Trade of the Member States of the African Union met in Nairobi, today, 20 July 2015. Our purpose was to sustain and deepen our substantive preparations for the Tenth WTO Ministerial Conference that will be held in Nairobi, Kenya, from 15 to 18 December 2015. Our Informal Meeting was chaired by Mr. Joshua Setipa, Minister of Trade of Lesotho and Coordinator of the WTO African Group and African Union Ministers responsible for Trade.

1.2. Our Informal Meeting was a valuable opportunity to take stock of the developments in the Doha Development Agenda (DDA) negotiations, review our preparatory work, ask questions on the process and, hold an open, healthy and constructive exchange of views on the directions to set for African Trade Policy in the "changed global landscape" of the 21st Century. Ministers agreed that this process of stocktaking amongst AU Trade Ministers responsible for Trade would be work in progress.

1.3. Ministers covered considerable grounds. Our conversations were extensive and rich. They reflected a range of views. Ministers were unanimous in reaffirming the strategic objectives for African Trade Policy, *inter alia*, to intensify the process underway of the structural transformation of African economies, so as to achieve industrialization, rapid economic growth and enhance welfare in order to respond to the demographic pressures of young teeming populations and the urgency for accelerated job creation.

1.4. Ministers welcomed the participation and contributions, at the start of our exchange of the presentations by the H.E. Mrs. Fatima Haram Acyl, Commissioner for Trade and Industry of the African Union, H.E. Mr. Mukhisa Kituyi, UNCTAD Secretary-General, Mr. David Shark, WTO Deputy Director-General and, Mrs. Dorothy Tembo, Deputy Executive Director of the International Trade Center.

1.5. Ministers noted the agreement, *ad referendum*, on Saturday, 18 July, by WTO Members, to eliminate tariffs on an expanded list of Information Technology Agreement (ITA) products. Ministers considered that this was good news and a win-win for all. The agreement should provide impetus and energy for recovery and stronger growth in the global economy. The agreement was a positive development as WTO Members prepared for the Tenth Ministerial Meeting here in Nairobi. African Union Trade Ministers were hopeful that the breakthrough in the ITA negotiations translates positively, with knock-on effects for other areas under negotiations. Ministers paid

¹ As agreed with African Union (AU) Ministers Responsible for Trade, I am circulating these Concluding Summary Remarks, on my own responsibility, as Host Minister and Chairperson for the Tenth WTO Ministerial Conference to be held in Nairobi, Kenya, from 15 to 18 December 2015.

tribute to the leadership of Director-General Roberto Azevêdo for facilitating the negotiations in its critical last stages.

1.6. Ministers reaffirmed the value and critical importance of the Doha Development Agenda (DDA). The Decisions at the 9th WTO Ministerial Meeting in Bali represented progress. More work was now required for a successful conclusion of the Doha Round. Ministers underscored the necessity of constructive engagement and pragmatism to achieve economically beneficial results in agriculture, non-agricultural market access, services and a development package for LDCs.

1.7. Specifically, it was underlined that agriculture was a central and gateway in the Doha negotiations with implications for rural development, poverty reduction and job creation. Compromise outcomes were at the heart of the Doha negotiations. A negotiated and balanced outcome on the NAMA negotiations had a bearing, together with companion policies, on the industrialization process underway in Africa. The exchange of views made evident sensitivities on DFQF market access that would require further discussions amongst Ministers. Several Ministers reiterated the necessity to discipline fishery subsidies so as to reverse overcapacity in the industry, reverse depletion of fish stocks and ensure the conservation and sustainability of Africa's maritime resources.

1.8. Ministers agreed that our exchange of views would be deepened, constructively, pragmatically, and with a view to engaging, intensively, with other WTO groupings and members to seek balanced compromise outcomes that would ensure WTO-consistent win-win outcomes for the rules-based Multilateral Trading System and contribute to global economic recovery and growth.

1.9. A singular point underlined by Ministers was their request that they be engaged in the consultations underway in Geneva and any process of textual development. They further requested that the negotiations on compromise outcomes take account of African Union positions. The position was taken that the outcome from the Nairobi Ministerial Conference should be feasible, meaningful, reflecting pragmatism, compromise and balance.

1.10. Although there were questions raised on the definition of success, Ministers were unanimous that the Tenth WTO Ministerial Conference in Nairobi - the first to be held in Africa - must be successful. There was pragmatism in the range of views expressed by Ministers. Most noted that outcomes that could be harvested at MC10 should be harvested. Ministers were keen for the adequate number of ratification to enable the coming into force of the Trade Facilitation Agreement (TFA) and the Amendment to the TRIPS Agreement by MC10. There was positive acknowledgement of "new entrants" (accessions), as part of the deliverables for Nairobi. However, there were questions regarding the status of unresolved negotiating matters in the work programme after the Nairobi Ministerial Conference. Some felt that unresolved questions should be taken forward. Ministers agreed to deepen their exchange of views on this question.

1.11. Ministers reviewed the question of the development aspects of the rules-based Multilateral Trading System. There was a consensus that the ultimate goal of trade policy was welfare and development. It was imperative that trade contributes to growth of a healthy global economy from which individual members would derive benefits. Ministers reiterated the fact that development should remain at the heart of the outcomes of MC10. A number of Ministers took the position that development was not a standalone, but horizontal issue.

1.12. Ministers were unanimous in underscoring the vital importance of the institutional role of WTO Director-General Roberto Azevêdo. It was felt that he should have scope to facilitate and lead the negotiations. The leadership of the Director-General was commended by Ministers. WTO Members should sustain their support for his efforts. There was understanding and support for the negotiating process in different formats and configurations.

1.13. The exchange of views provided an overdue opportunity to take a strategic view on the trade policy directions of African economies in the 21st Century, which would reflect the operational reality that had led to the upward re-basing of the GDP of a number of African economies. To this end, Ministers identified and stressed several points.

1.14. Africa was a major growth frontier. To maximize these opportunities, African economies should sustain a domestic agenda for reform, modernization and diversification so as to improve competitiveness. The agenda of reforms would entail economic law and policy, institutional and structural reforms within a framework of a well regulated market economy, the rule of law and good governance. African economies were now operating on the basis of a strong agenda for domestic reforms. These required deepening so as to ensure the dynamic shifts in resource allocation for rapid economic transformation.

1.15. To take advantage of economies of scale, efforts should be invested in developing regional value chains that would connect to global supply chains. This objective underscored the urgent necessity of ensuring the achievement of the two thirds majority required for the Trade Facilitation Agreement to come into force. In the context of references to the TFA ratification, Ministers also underscored the urgent need for African members to ratify the TRIPS Public Health Amendment. In doing so, it was noted that there was an achievable target of only 26 more members required for ratification to enable the Amendment to enter into force. It was considered that this was a critical element for a successful Nairobi Ministerial.

1.16. As an emerging market, African trade and economic engagement should be offensive and ambitious, based on improved competitiveness, a private sector orientation, with trade rules connected to commercial reality and, strong policy support for Small and Medium Enterprises (SMEs) to ensure job creation.

1.17. Ministers acknowledged the positive contribution that the multilateral trading system could have on the African Union's agenda on boosting Intra - Africa Trade and the formulation of the Continental Free Trade Area.

1.18. Ministers were unanimous that LDCs - the most vulnerable amongst WTO Members - required special attention. The fundamental objective was to assist LDCs to achieve competitiveness and maximize the benefits of an open, rules-based multilateral trading system. Several measures were beneficial to this end, including Duty Free and Quota Free Market Access, Preferential Rules of Origin, Cotton, Services waivers, S&D treatment to facilitate the transition to competitiveness.

1.19. There was acknowledgement of the positive results from WTO Accessions over a twenty-year period. Ministers noted that 33 Governments had acceded between 1995 and 2015. The Accession negotiations of the Republic of Kazakhstan had been successfully concluded and formal action would be taken at the 27 July General Council by Members. Ministers noted and welcomed the Accession of Seychelles on 26 April this year. Ministers also noted with satisfaction the imminence of the conclusion of the Accession of Liberia with formal action to be taken by Ministers in Nairobi at MC10. Ministers encouraged Afghanistan, an LDC, to decide, as soon as possible, on its draft Accession Package, which had been circulated to all WTO Members in 2014. Overall, Ministers acknowledged that the results from accession had strengthened the WTO in light of the strategic objective of achieving universality of membership. It was noted that the Director-General's Annual Reports on Accessions suggested that those Members that had negotiated their terms and conditions of membership, overall, had grown faster, had been more successful in attracting FDI and had shown greater resilience in recovery from external shocks. Ministers commended the Director-General for his work on accessions and urged him to engage deeper with other Acceding Governments in the remaining 22 Accession Working Parties. Ministers took note of the presentation by the WTO Secretariat on the relationship between WTO accession negotiations and domestic reforms for growth.

1.20. Ministers agreed that technical assistance and capacity remained core aspects of the development dimension of the rules-based Multilateral Trading System. The contributions of the WTO were acknowledged. The Secretariat was encouraged to continue in its on-going process of improving its targeting and adaptation of its technical assistance and capacity-building to improve value for money. The Enhanced Integrated Framework (EIF) and Aid for Trade were key components of the development dimension of the rules-based Multilateral Trading System.

1.21. A strong WTO and the strengthening of trade multilateralism were strategic components in Africa's participation in an interdependent global economy.

1.22. As host Minister for MC10, I invited African Union Trade Ministers to the Nairobi Fourth China Round Table that I would host back-to-back with MC10. This Round Table is being jointly organized by the WTO Secretariat and the Government of Kenya and was sponsored by the Government of China. The thematic focus was on, *"Domestic Reforms for Competitiveness and Deeper Integration into the Global Economy"*.

1.23. Ministers agreed to re-convene for a follow-up meeting in Nairobi, in October this year. To prepare for this meeting, Mrs. Fatima Haram ACYL, Commissioner for Trade and Industry of the African Union, Mr. Joshua Setipa, Minister for Trade and Industry of Lesotho and, Ambassador Amina Mohamed, Cabinet Secretary for Foreign Affairs and International Trade shall coordinate, closely, directly and constantly, on timing and substance. When we meet, Ministers have agreed to continue with our stocktaking of the state-of-play in the consultations and negotiating engagement underway, in Geneva, led by the WTO Director-General; continue with our evaluation and refinement of our national and collective positions as a group; and intensify our constructive engagement for pragmatic outcomes that will ensure a successful Tenth WTO Ministerial Conference in Nairobi. At our meeting, we shall decide on Next Steps, as appropriate.

1.24. As host Minister for MC10, I believe that, confidently, we held a healthy, constructive and fruitful exchange of views. The range of views on several questions reflected the richness of the Continent and the complementarity of our economies. This was to be valued. The Government and People of Kenya are grateful to all African Ministers responsible for Trade. It is vital that Ministers maintain Ministerial-level engagement, directly, pragmatically and realistically, to ensure that the first Ministerial Conference of the WTO to be held in Africa enhances welfare and responds to the reality of the aspirations of African economies for competitive and meaningful integration in the global economy. We ask our WTO counterpart Members to engage with Africa, ambitiously and honestly, for growth in a stable, rules-based global trade and economic order on the basis of WTO core values.
